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DECLARATION OF POOLED UNIT

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

PGS

COUNTY OF TARRANT

This Declaration of Pooled Unit is executed to be effective as of October 1, 2010, by the undersigned parties, who are the owners of an interest in the leasehold estates created under those certain Oil, Gas and Mineral Leases (the "Leases") which are more particularly described on Exhibit "A" attached hereto and incorporated herein by reference for all purposes, or who are the owners of an interest in the mineral estate in the lands described in the Leases, who join in the execution hereof to evidence their consent to the pooling, unitization and combination of the leases and mineral estates herein described.

RECITALS

WHEREAS, each of the Leases authorizes the lessee thereunder to pool, unitize or combine all or a portion of the lands covered thereby with other land, lands, lease, or leases, to form a pooled unit for the exploration, development and production of oil, gas and associated and constituent hydrocarbons from the lands covered by the Leases; and

WHEREAS, the pooling, unitization and combination of the Leases and mineral estates to the extent necessary to form the hereinafter described pooled unit are necessary and advisable in the judgment of the undersigned.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual benefits to be derived by the parties hereto and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agree as follows:

- 1. <u>Declaration of Unit</u>. In accordance with the provisions of the Leases, the undersigned do hereby declare, pool, unitize and combine the Leases, including all renewals, extensions, ratifications and amendments thereof, and the lands covered thereby and the mineral estates therein, to the extent necessary to form and create the Unit Area described below. Production from the Unit shall be allocated proportionately among all of the tracts within the Unit in the proportion which the number of surface acres in each of such tracts bears to the total number of surface acres in the Unit.
- 2. <u>Description of Unit Area</u>. The Unit Area (herein so called) shall consist of **366.753 acres**, more or less, being the lands as depicted on Exhibit "B", which is attached hereto and incorporated herein by reference for all purposes, and the unit shall be limited to the interval and depths lying from the surface of the earth to the base of the Barnett Shale formation **INSOFAR AND ONLY INSOFAR** as to oil, gas, and associated and constituent hydrocarbons produced from a well or wells classified as an oil well or a gas well. This Declaration of Pooled Unit covers all production from the lands described on the attached Exhibit "B" which is produced from any well drilled to the unitized interval underlying the Unit Area.
- 3. <u>Unit Name</u>. The pooled unit created hereby shall be known as "GATEWAY-GIBSON"
- 4. Additional Interest; Consent. In the event the undersigned own any leasehold interest or mineral interest other than those specifically described or referred to herein covering the lands inside the Unit Area, including any unleased mineral interest in lands inside the Unit Area, or any interest for which ratification of the pooled unit created hereby is necessary, such interest or interests are hereby pooled and combined into said pooled unit as hereby declared without the necessity of specifically enumerating such interests or the specific lands covered by such interests or in which they are held.
- 5. Right to Amend. The undersigned hereby expressly reserve the right, from time to time, to amend this Declaration of Pooled Unit, and the respective terms and provisions hereof, and to change the size and area of, and interests covered by the pooled unit described herein, including without limitation, the power (i) to change, reduce, enlarge or extend the size or configuration of the Unit Area; (ii) to include any other formation or formations and any other mineral or minerals therein, thereunder or produced therefrom, all in accordance with the terms and provisions of the Leases; (iii) to include in the pooled unit described herein or in any amendments hereto, oil, gas and mineral leases, or interests in the lands described therein, covering interests in the Unit Area, which are secured or obtained subsequent to the date hereof, or prior to the date

hereof and not included and described herein, and (iv) to include in the pooled unit described herein or in any amendments hereto, full or undivided interests in the Unit Area which are not otherwise included herein by the respective owner of such full or undivided interests.

- 6. <u>Dissolution of Unit</u>. The pooled unit formed hereby may be dissolved by Chesapeake Exploration, L.L.C., acting as the Operator of the pooled unit, at any time by an instrument filed for record in Tarrant County, Texas, after any failure to establish unit production or after cessation of operations upon the pooled unit.
- 7. <u>Multiple Originals</u>. This instrument may be executed in any number of multiple counterparts, each of which shall have the same force and effect as an original instrument executed by all of the undersigned parties, regardless of whether such counterpart is executed prior to or subsequent to the date hereof or the filing of record of a counterpart hereof. Further, this instrument may not be ratified, consented to or approved by any party, individual, person or entity except upon the express written consent of all the undersigned parties hereto. This Declaration of Pooled Unit, and each counterpart or ratification hereof, shall be binding upon each party who executed the same, and shall have the effect of pooling such party's undivided ownership interest in the leases covered hereby, without regard to whether any other party owning an interest in the Leases or Unit Area may execute this instrument, or a counterpart or ratification hereof.
- 8. <u>General Provisions</u>. This instrument shall bind, inure to the benefit of, and be exercised by heirs, assigns, and successors in interest of all parties. When the context requires, singular nouns and pronouns include the plural.

EXECUTED by the undersigned parties on the respective dates of acknowledgment hereof, to be effective for all purposes as of the date first above written.

CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company	
By:	-
المرازع المالية	Mr.

STATE OF OKLAHOMA)	
)	§
COUNTY OF OKLAHOMA)	

This instrument was acknowledged before me on this ______ day of ______, 2010, by Henry J. Hood, as Senior Vice President - Land and Legal & General Counsel of Chesapeake Exploration, L.L.C. on behalf of said limited liability company.

My Commission Expires: 3/5/2014

Commission Number: #/∞∞/797

Notary Public

(SEAL) ANASTASIA SVEC
(SEAL) Notary Public
State of Okiahoma
Commission # 10001797 Expires 03/05/14

	101AL Lar OSA, INC., a Delaware corporation
	By: Eric Bonnin, Vice President - Business Development and Strategy
	ACKNOWLEDGMENT
STATE OF TEXAS COUNTY OF HARRIS	
COUNTY OF HARRIS)) 8
, 2010, by E	rument was acknowledged before me this day of Eric Bonnin, as Vice President – Business Development and SA, INC., a Delaware corporation, as the act and deed and on.
	Notary Public in and for the State of Texas

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EXHIBIT "A"

Attached to and made a part of that Declaration of Pooled Unit for the Gateway-Gibson dated the effective date of October 1, 2010. The following described Oil and Gas Leases shall be limited to those lands insofar and only insofar as said Oil and Gas Leases covers lands within the Unit depicted in Exhibit "B":

			Landit D .		
LEASE NUMBER	LESSOR	LESSEE	LEASE DATE	RECORDED	ACRES
TX0200057-000	H/A GRAPEVINE JOINT VENTURE	CHESAPEAKE EXPLORATION LLC	3/5/2010	D201000055217	126.91125
TX0200056-000	121/LEGACY LTD	CHESAPEAKE EXPLORATION LLC	3/5/2010	D201000055216	42.30375
N/A	GRAPEVINE MILLS CROSSING, L.P.	CHESAPEAKE EXPLORATION LLC	1/5/2009	D200900040220	7.273
TX7111904-004	FRED JONES	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331185	3.49104
TX7111904-002	OLADIRAN FAWIBE	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331184	2.1819
TX7111904-003	RUDOLF SIEBER	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331183	1.30914
TX7111904-001	WILLIAM R NICHOLS	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331180	0.29092
TX0200136-000	ART LAKE CHATEAU, INC.	CHESAPEAKE EXPLORATION LLC	5/26/2010	D210133654	30.359
TX7111903-002	FRED JONES	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331187	15.1998
TX7111903-003	OLADIRAN FAWIBE	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331186	18.67404
TX7111903-004	RUDOLF SIEBER	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331182	7.81704
TX7111903-001	WILLIAM R NICHOLS	CHESAPEAKE EXPLORATION LLC	3/15/2008	D208331181	1.73712
TX0003947-000	CROW BILLINGSLEY AIRPORT #1, L	CHESAPEAKE EXPLORATION LLC	6/17/2008	D209002719	21.148
TX7155391-001	WHITEHALL INVESTMENTS, INC	CHESAPEAKE EXPLORATION LLC	5/19/2008	D208296949	1.192
TX0200055-000	CIMMARON GRAPEVINE PARTNERS, LTD	CHESAPEAKE EXPLORATION LLC	3/5/2010	D210051306	22.275
TX7155390-000	WHITEHALL INVESTMENTS, INC	CHESAPEAKE EXPLORATION LLC	5/19/2008	D208296950	10.494
N/A	WANGLER II LIMITED PARTNERSHIP	CHESAPEAKE EXPLORATION LLC	8/2/2010	D210191585	54.096
TX0003947-000 TX7155391-001 TX0200055-000 TX7155390-000	CROW BILLINGSLEY AIRPORT #1, L WHITEHALL INVESTMENTS, INC CIMMARON GRAPEVINE PARTNERS, LTD WHITEHALL INVESTMENTS, INC WANGLER II LIMITED	CHESAPEAKE EXPLORATION LLC CHESAPEAKE	6/17/2008 5/19/2008 3/5/2010 5/19/2008	D209002719 D208296949 D210051306 D208296950	21.1 1.1 22.2 10.4

End of Exhibit "A"

EXHIBIT "B"

Attached to and made part of that Declaration of Pooled Unit for **GATEWAY-GIBSON** dated the effective date of October 1, 2010.

GATEWAY-GIBSON LEGAL DESCRIPTION:

UNIT DESCRIPTION

BEING 400.578 acres of land, more or less, situated in the James M. Baker Survey, Abstract Number 167, the Heirs of James Gibson Survey, Abstract Number 586, the Heirs of James Gibson Survey, Abstract Number 587, the Henry Suggs Survey, Abstract Number 1415, the C.S. Dunagan Survey, Abstract Number 1655, the James M. Baker Survey, Abstract Number 1691, and the Heirs of James Gibson Survey, Abstract Number 1715, in the City of Grapevine, Tarrant and Dallas County, Texas, being all those certain tracts of land as depicted in the attached plat (pages 6 thru 7 of this document) as having retained mineral interests and recorded in the Deed Records of Tarrant County Texas (D.R.T.C.T.), and being more particularly described by metes and bounds as follows:

BEGINNING (NAD83 grid northing 7,037,475.26 and easting 2,417,303.16) at a found one-half inch steel rebar with red plastic cap stamped "USA INC" (controlling monument) for the most westerly southwest corner of Tract A, Block A of Grapevine Vineyard Addition, an addition to the City of Grapevine as recorded in Instrument Number D209187245 of said Deed Records, said point being in the easterly line of Grapevine Mills Parkway (F.M. 2499) (variable width right of way);

THENCE, along the easterly line of said Grapevine Mills Parkway (F.M. 2499), the following three (3) courses;

N 15° 13' 35" W, a distance of 324.23 feet to a point;

N 05° 58' 57" W, a distance of 406.44 feet to a point, from which a found five-eighths inch steel rebar with red plastic cap stamped "KAI" bears S 72° 46' 20" W, a distance of 192.10 feet;

N 01° 48′ 32" E, a distance of 1,729.38 feet to a point in the right of way of Grapevine Mills Boulevard North (variable width right of way);

THENCE, N 45° 47' 32" E, departing the easterly line of said Grapevine Mills Parkway (F.M. 2499), a distance of 74.70 feet to a point;

THENCE, S 89° 06' 39" W, a distance of 131.98 feet to a point;

THENCE, N 01° 46' 42" E, a distance of 22.18 feet to a point;

THENCE, S 89° 12' 16" W, a distance of 425.62 feet to a point, from which a found five-eighths inch steel rebar with red plastic cap stamped "KAI" (controlling monument) bears N 69° 28' 16" E, a distance of 109.17 feet for the southeasterly corner of Lot 1, Block 1 of Wagon Wheel Addition, an addition to the City of Grapevine as recorded in Instrument Number D209248122 of said Deed Records;

THENCE, S 88° 03' 37" W, a distance of 505.55 feet to a point;

THENCE, S 74° 33' 17" W, a distance of 212.10 feet to a point;

THENCE, S 66° 38′ 30" W, a distance of 74.78 feet to the beginning of a non-tangent curve to the left;

THENCE, Southwestwardly, along said curve to the left having a central angle of 11° 56' 23", a radius of 758.01 feet and an arc length of 157.96 feet, the chord bears S 66° 35' 06" W, a distance of 157.68 feet to the end of said curve;

THENCE, S 66° 37' 27" W, a distance of 25.81 feet to a point;

THENCE, S 56° 44' 42" W, a distance of 241.71 feet to a point; THENCE, S 49° 48' 11" W, a distance of 247.40 feet to a point;

THENCE, S 35° 29' 11" W, a distance of 247.38 feet to a point;

THENCE, S 28° 38' 22" W, a distance of 99.22 feet to a point, from which a found five-eighths inch steel rebar with yellow plastic cap stamped "CSM INC" (controlling monument) in the southeasterly line of Lot 1R, Block 1 of Mills Run Addition, an addition to the City of Grapevine as recorded in Cabinet A, Slide 6389 of said Plat Records bears S 36° 15' 04" W, a distance of 268.88 feet;

THENCE, S 28° 39' 20" W, a distance of 536.61 feet to a point;

THENCE, N 61° 18' 36" W, a distance of 199.81 feet to the southwesterly corner of said Lot 1R, Block 1 of Mills Run Addition, from which a found three and one-half inch aluminum U.S. Army Corp of Engineers monument stamped "A1250" bears S 67° 41' 11" W, a distance of 1.92 feet;

THENCE, N 00° 14' 30" W, along the westerly line of said Lot 1R, Block 1 of Mills Run Addition, a distance of 996.24 feet to a point in the centerline meanders of Denton Creek;

THENCE, along the westerly line of said Lot 1R and along the centerline meanders of said Denton Creek, the following three (3) courses;

N 37° 46' 38" E, a distance of 89.00 feet to a point;

N 08° 02' 23" E, a distance of 306.52 feet to a point;

N 31° 02′ 39" E, pass at a distance of 196.73 feet the northwesterly corner of said Lot 1R, Block 1 of Mills Run Addition and the southwesterly corner of Lot 1R, Block 1 of Jackson Addition, an addition to the city of Grapevine as recorded in Cabinet A, Slide 8227 of said Plat Records, in all a total distance of 288.96 feet to a point in said Denton Creek, from which a found five-eighths inch steel rebar with yellow plastic cap stamped "CSM INC" (controlling monument) bears S 52° 35′ 43" E, a distance of 227.87 feet for the southernmost southeasterly corner of said Lot 1R, Block 1 of Jackson Addition;

THENCE, N 14° 31' 28" E, departing the westerly line of said Lot 1R, Block 1 of Mills Run Addition and the centerline meanders of Denton Creek, along the westerly line of said Lot 1R, Block 1 of Jackson Addition, a distance of 318.08 feet to a point in said Denton Creek;

THENCE, N 37° 48′ 28" E, continuing along the westerly line of said Lot 1R, Block 1 of Jackson Addition, a distance of 380.00 feet to a point in said Denton Creek;

THENCE, N 01° 18' 28" E, continuing along the westerly line of said Lot 1R, Block 1 of Jackson Addition, a distance of 655.00 feet to a point in said Denton Creek, said point being the southernmost northwesterly corner of said Lot 1R, Block 1 of Jackson Addition, from which a found one-half inch steel rebar with yellow cap stamped "McCullah Surveying" (controlling monument) bears S 74° 31' 01" E, a distance of 747.49 feet for a reentrant corner of said Lot 1R, Block 1 of Jackson Addition;

THENCE, N 46° 48' 28" E, departing the westerly line of said Lot 1R, Block 1 of Jackson Addition, along the northwesterly line of said Lot 1R, Block 1 of Jackson Addition, a distance of 897.51 feet to an easterly corner of Tract A-5, as described in deed to the United States of America as recorded in Volume 2021, Page 26 of said Deed Records, also said corner being in said Denton Creek;

THENCE, N 07° 02′ 10" W, along the easterly line of said Tract A-5, pass at a distance of 136.94 feet a found three and one-half inch brass monument stamped "CORPS OF ENGINEERS U.S. ARMY" (controlling monument), in all a total distance of 600.00 feet to a point, from which a found three and one-half inch brass monument stamped "CORPS OF ENGINEERS U.S. ARMY" (controlling monument) bears N 07° 03′ 32" W, a distance of 393.57 feet for the northeasterly corner of said Tract A-5 and the southeasterly corner of Tract A-6 as described in deed of said United States of America;

THENCE, N 66° 58′ 02" E, departing the easterly line of said United States of America tract, a distance of 848.00 feet to a point in the westerly line of said Grapevine Mills Parkway (F.M. 2499);

THENCE, N 85° 49' 58" E, a distance of 2,639.13 feet to a point;

THENCE, N 19° 28' 12" E, a distance of 288.11 feet to a point;

THENCE, N 54° 35' 06" E, a distance of 117.70 feet to a point;

THENCE, S 00° 05' 58" E, a distance of 3,483.86 feet to a point;

THENCE, EAST, a distance of 94.08 feet to a point;

THENCE, S 33° 13' 23" W, a distance of 171.25 feet to a point;

THENCE, S 63° 09' 11" W, a distance of 17.10 feet to the beginning of a non-tangent curve to the left;

THENCE, Southwestwardly, along said curve to the left having a central angle of 07° 36' 57", a radius of 1.172.00 feet and an arc length of 155.78 feet, the chord bears S 76° 37' 05" W, a distance of 155.67 feet to a found one-half inch steel rebar (controlling monument), in the southerly line of said Gardens of Grapevine Development, L.P. tract, said point also being in the northerly line of Grapevine Mills Boulevard North (variable width right of way);

THENCE, S 17° 11' 23" E, a distance of 50.20 feet to a point in the centerline of said Grapevine Mills Boulevard North, for the beginning of a non-tangent curve to the left;

THENCE, Southwestwardly, along the centerline of said Grapevine Mills Boulevard North, along said curve to the left having a central angle of 00° 39' 25", a radius of 1,121.80 feet and an arc length of 12.86 feet, the chord bears S 72° 28' 54" W, a distance of 12.86 feet to the beginning of a non-tangent curve to the right;

THENCE, Southwestwardly, continuing along the centerline of said Grapevine Mills Boulevard North, along said curve to the right having a central angle of 00° 28' 46", a radius of 2,003.00 feet and an arc length of 16.76 feet, the chord bears S 72° 23' 51" W, a distance of 16.76 feet to the end of said curve:

THENCE, S 17° 21' 45" E, departing the centerline of said Grapevine Mills Boulevard North, a distance of 54.20 feet to the northeasterly corner of that certain 37.294 tract of land as described in deed to Crow-Billingsley Airport #1, Ltd., as recorded in Volume 7143, Page 600 of said Deed Records, being in the southerly line of said Grapevine Mills Boulevard North;

THENCE, S 00° 42' 44" E, along the easterly line of said Crow-Billingsley Airport #1, Ltd. tract, a distance of 327.21 feet to the easterly corner of said Crow-Billingsley Airport #1, Ltd. tract, being in the northwesterly line of State Highway 121 (variable width right of way);

THENCE, departing the easterly line of said Crow-Billingsley Airport #1, Ltd. tract, along the northwesterly line of said State Highway 121, the following two (2) courses;

S 42° 20' 06" W, pass at a distance of 1,268.66 feet a point, from which a found five-eighths inch steel rebar bears N 47° 39' 54" W, a distance of 0.58 feet, in all a total distance of 2,090.44 feet to a point;

S 42° 23' 35" W, a distance of 916.36 feet to a point in the easterly line of aforementioned Grapevine Mills Parkway (F.M. 2499);

THENCE, S 82° 21' 53" W, departing the northwesterly line of said State Highway 121, along the easterly line of said Grapevine Mills Parkway (F.M. 2499), a distance of 38.51 feet to the **POINT OF BEGINNING** and containing 17,449,159 square feet or 400.578 acres of land, more or less.

SAVE AND EXCEPT the following tracts (acreage includes lands to the centerline of adjacent public right of ways within the unit boundary unless otherwise specified):

Tract 2, Lot 1, Block 1, Butch Van Hopper Addition, City of Grapevine, Cabinet A, Slide 7438, P.R.T.C.T. (0.977 AC.)

Tract 4, Lot 1, Block 1, Grapevine Fire Station #5 Addition, City of Grapevine, Instrument Number D199156324, D.R.T.C.T. (0.658 AC.)

Tract 5, Grapevine Mills Addition, R.O.W. of Grapevine Mills Boulevard North, City of Grapevine, Cabinet A, Slide 3718, P.R.T.C.T. (0.113 AC.)

Tract 8, Lot 2A, Block A, Grapevine Mills Crossing Addition, City of Grapevine, Instrument Number D208099320, D.R.T.C.T. (0.864 AC.)

Tract 10, Lot 1, Block B, Grapevine Vineyard Addition, City of Grapevine, Instrument Number D203227178, D.R.T.C.T. (4.804 AC.)

Tract 13, Heirs of James Gibson Survey A-587 (TR. 1C & 1G), Instrument Number D207119018, D.R.T.C.T. (1.003 AC.)

Tract 15, Lot 1RA, Block 1, Jackson Addition, City of Grapevine, Instrument Number D209106776, D.R.T.C.T. (0.294 AC.)

Tract 18, Lot 1, Block 1, Wagon Wheel Addition, City of Grapevine, Instrument Number D209248122, D.R.T.C.T. (0.282 AC.)

Tract 20, Lot 1A, Block 1A, Riverwalk Addition, City of Grapevine, Instrument Number D207055678, D.R.T.C.T. (17.147 AC.)

Tract 21, Tract 2, James M. Baker Survey, A-1691, City of Grapevine, Instrument Number D186026153, D.R.T.C.T. (7.683 AC.)

Parent Tract = 400.578 acres.

Save and Except tracts = 33.825 acres.

The parent tract less the save and except, the net unit acreage being 366.753 acres.

End of Exhibit "B"